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HSC BRIEFING

10 JANUARY 1956

INDOCHINA

- I. In South Vietnam, most seriously exposed of three new Indo-chinese nations, Premier Dien is making cautious but steady progress toward a stable regime.
 - A. Progress not spectacular, but Dien has had no setbacks since he defied General Ely and drove French-backed Binh Xuyen gangsters out of Saigon last spring.
 1. In Oct '55, swamp-based remnants of gangster group were eliminated; its leader escaped to France.
 - B. Rebel activity in S. Vietnam now confined to Hoa Hao groups in northwestern Vietnam, with whom Viet Minh reported actively working.
 1. Vietnamese army now deploying upwards of 15,000 troops against 3,200 Hoa Hao.
 2. Considerable success claimed in winning Hoa Hao rank-and-file support for Dien.
 - C. Continuing Viet Minh efforts being made to strengthen position in south, but these being offset by improvement Dien's security services.
- II. Next step for Dien is election of National Assembly (originally planned for Dec '55: will probably come in late Feb or early March). Careful advance planning is characteristic of Dien's approach.

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- A. Successive postponements have come from government's efforts to make sure everything under control.**
 - 1. Delays have charges of "dictatorship" against Dien.**
 - 2. But disenchanted elements not unified, do not appear to constitute any real threat.**
- B. A 120 to 125-seat body is contemplated; one seat will be left vacant as symbol of missing northerners.**
- C. Viet Minh propaganda violently denouncing Dien's election plans as American-conceived plot to sabotage unification effort; calling for boycott.**
 - 1. Viet Minh similarly attacked 23 Oct '55 referendum on Bao Dai, but turnout was good and Dien got 98% of vote.**

III. After Assembly elections, Dien will still face problem of how to handle Geneva inheritance--all-Vietnam elections for "unification."

- A. He continues adamantly to refuse to accept commitments made by French at '54 Geneva conference.**
 - 1. With Expeditionary Corps strength in S. Vietnam now down to about 20,000, French in no position to meet these commitments, either.**
- B. Future of International Control Commission is cloudy, but even Indians apparently recognize all-Vietnam elections now virtually out of question.**

IV. In nearby Laos, a new government (little different from present one, and under the same premier) will be formed next month on basis of 25 Dec '55 election results.

A. Despite rebel Pathet Lao denunciation, election brought heavy vote.

B. Pathet morale believed low and royal government apparently hopes to regain control two northern provinces through extension partisan activity there.

V. In Cambodia, former King (now Prince) Sihanouk remains fully in control, even though he has resigned premiership and is off for a holiday on Riviera.

A. His replacement cabinet submitted resignation after three days in office, but will stay as caretaker until Prince's return.

B. Sihanouk currently stressing Cambodia's neutrality, but pointing to dependence on US for support of armed forces.

C. Along neutrality line, Prince is believed to be sympathetic towards a Soviet bid for diplomatic relations, as well as possible trip to Peiping.

INDOCHINA

- I. In South Vietnam, Premier Diem cautiously but steadily progressing toward stable regime.
 - A. Since Diem drove French-backed Binh Xuyen gangsters out of Saigon, last spring, he has not suffered a setback.
 - B. Only rebels left now are Hoa Hao groups in southwestern Vietnam, reportedly allied with Viet Minh.
 - 1. Diem's army now moving some 15,000 troops against 3,200 Hoa Hao.
 - C. Viet Minh efforts in south being offset by improved security services.
- II. Next step for Diem is formation of National Assembly--elections originally planned for Dec '55. Will probably come in late Feb or early March.
 - A. Successive postponements have come from Diem's efforts to make sure everything under control.

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- B. A 120 to 125-seat body is contemplated;
one seat vacant as symbol of missing
northerners.
- C. Viet Minh violently denouncing election
as US plot against unification. Calling
for boycott, but similar Viet Minh
attack on 23 Oct '55 referendum on
Bao Dai was ineffective.

III. After Assembly elections, Diem's next
hurdle will be how to handle Geneva in-
heritance--all-Vietnam elections for
"unification."

- A. He adamantly refuses to accept commit-
ments made by French at '54 Geneva
conference.
- B. Future is cloudy, but even Indian chair-
men of ICC apparently recognize all-
Vietnam elections now virtually out of
question.

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IV. In nearby Laos, new government (little different from present one, and under same premier) will be formed next month on basis 25 Dec '55 election results.

A. Despite rebel Pathet Lao denunciation, election brought heavy vote.

V. In Cambodia, former King (now Prince) Sihanouk remains fully in control, even though he has resigned premiership and is off to Riviera holiday.

A. Sihanouk currently stressing Cambodia's neutrality, possibly planning junket to Peiping, but simultaneously emphasizing his dependence on US for support of armed forces.

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